

# **MILITARY BUS AGREEMENT**

#4 Effective 1 October 1997



**ENTERED INTO BY THE MILITARY TRAFFIC  
MANAGEMENT COMMAND  
ON BEHALF OF THE DEPARTMENT OF DEFENSE AND  
THE MOTORCOACH (BUS), VAN & LIMO CARRIER  
NAMED HEREIN (Includes Amendment #1 & 2)**

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## MILITARY BUS AGREEMENT

with

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(Name of Carrier)

The undersigned, an officer of the above named company (hereinafter referred to as the Carrier), agrees to the terms and conditions of this Agreement (effective October 1, 1997) as the basis for the transportation of passengers in scheduled charter bus, van or limo service for the Department of Defense.

The Agreement is made with the understanding that the Department of Defense is under no obligation to assign any traffic to the Carrier. It will be effective on the date signed by the Passenger Programs Division, Assistant Deputy Chief of Staff for Passenger & Personal Property and will remain in effect until terminated in writing by either party.

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(Typed Name and Title of Carrier Official)

---

(Signature)

Date: \_\_\_\_\_

This Agreement is entered into by the Military Traffic Management Command, for and on behalf of the Department of Defense.

### MILITARY TRAFFIC MANAGEMENT COMMAND ACKNOWLEDGMENT AND ACCEPTANCE

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(Signature)

---

(Title)

---

Date Approved

**Complete the following section when an agent represents the carrier.**

\_\_\_\_\_ will be represented by  
(Name of Carrier)

\_\_\_\_\_ who is authorized to act on behalf of the aboved  
(Name of Agent) named carrier.

## PART I - DEFINITIONS

**I-1. Agent.** A MTMC approved representative, delegated by the carrier, to act on his behalf, to the Department of Defense military activities. These representatives may or may not be members of nationally recognized organizations. **Agents may not act as Brokers.** Carriers wishing to use such a representative must formalize the designation by signing the Agreement Signature Sheet. Any changes to representation must be forwarded to HQMTMC promptly to indicate termination of existing representative. Carriers may assign representation by resigning the Agreement Signature Sheet to include the Agent's name. Complete names and addresses of approved carriers' Agents must be on file with the MTMC.

**I-2. Brokering.** The practice of one carrier acting as a middleman for one or more other carriers when offering service for Government requirements. Brokering by carriers or carrier Agents is not an acceptable practice under this Agreement.

**I-3. Bus Carriers.** Carriers operating motor vehicles authorized by the Federal Highway Administration or State regulatory bodies to transport 16 or more passengers including the driver, passengers and their baggage for compensation.

**I-4. Carrier/Carrier Representative.** These terms are used interchangeably throughout this Agreement. This Agreement is between the Carrier and the Department of Defense. Any representative the carrier identifies to MTMC is deemed authorized to speak on behalf of the carrier.

**I-5. Continental United States (CONUS).** The District of Columbia and the 48 contiguous states.

**I-6. Contracting Officer (CO).** The government official responsible for arranging written agreements entered into by one or more carriers to provide specific services under specified rates, charges and conditions for the transportation of DOD passengers.

**I-7. Controllable/Uncontrollable Delay.** A delay shall be deemed to have occurred at the origin or enroute station if the carrier equipment departs more than 20 minutes after the scheduled departure time. The scheduled departure time shall be as established upon the MTMC/TO acceptance of the carrier's offer, or as amended by telephone and/or message. The failure of a carrier to perform will be deemed as a controllable delay if the reason for the delay is due to carrier negligence or for a reason under the control of the carrier, i.e., mechanical or driver. The failure of a carrier to perform will be determined as an uncontrollable delay if the delay is from causes beyond the control and without fault or negligence of the carrier, i.e., weather, strikes. Acts of the government, such as late passengers or late connecting transportation to the point of pickup will not be charged against the carrier.

**I-8. Government Transportation Request (GTR).** Standard Form 1169, used to procure passenger transportation and related services from commercial carriers for persons performing official travel at Government expense.

**I-9. Group Leader/Bus Commander.** Officer, NCO or other person traveling with the group who has been designated as the point of contact for the unit. Group leaders are not authorized to make changes to any of the movement specifications that have been established by MTMC or the Transportation Office arranging the move.

**I-10. Lease.** A contract by which one carrier uses another carrier's vehicles for periods of not less than 30 days for a specified compensation. Leasing, under the provisions of this agreement is authorized when performed in conformity with the provisions of this agreement (Also, see IV-28. Leasing Equipment for DOD Transportation Requirements).

**I-11. Limo/Van Carriers.** Commercial carriers operating motor vehicles authorized by state or federal authorities to transport no more than 16 passengers including the driver and passengers' baggage.

**I-12. Linehaul Bus.** Bus transportation arranged from origin to final destination not in conjunction with a commercial air or rail movement.

**I-13. Military Agencies.** The Department of the Army, the Department of the Navy, the Department of the Air Force, the United States Marine Corps, the National Guard Bureau, Offices and Agencies of the Department of Defense and other Federal agencies. Transportation for the Coast Guard may also be arranged under this agreement.

**I-14. Motor Route Order (MRO).** An identifier assigned to those bus movements arranged by HQMTMC.

**I-15. Official Military Traffic Payment Methods.** Passengers (military and civilian), baggage, and accompanying impedimenta are paid for by the following payment methods:

- (a) Government Transportation Requests (Standard Form 1169).
- (b) Government Travel System (GTS) Corporate Charge Program bill on Standard Form 1034, Public Voucher for Purchase Other Than Personal.

**I-16. Supplemental Bus.** Bus transportation arranged in conjunction with a commercial air movement, military air movement, or rail service.

**I-17 Transportation Office (TO).** The government official responsible for arranging transportation.

#### **I-18. Types of Service.**

- (a) Regular Scheduled Service - Service from bus terminal to bus terminal as shown in the schedules of the carrier. Charges for Regular Scheduled Service are on a per capita basis.
- (b) Charter Coach Service - Nonscheduled service between pick up and discharge points falling within the area of the carrier's operating authority. Charter service provides for the exclusive use of the coach. Charges can be based on live and deadhead mileage rates or total trip charges. Requests for service may specify the route of travel and the maximum number of hours per day to be spent on the road, with the understanding that additional charges may be incurred.



## **PART II - GENERAL PROVISIONS**

**II-1. Scope of Agreement.** The Military Traffic Management Command (MTMC) is the executive agent for surface transportation within the Continental United States. The Military Bus Agreement maintained by MTMC establishes the terms, conditions and safety standards which the carrier will meet when providing bus transportation for Department of Defense passengers. It **does not** bind the Government to award movements to the carrier nor does it bind the carrier to offer service.

This agreement applies to the movement of DOD passengers, baggage and impedimenta between points within the Continental United States (CONUS), or as otherwise agreed by both parties. It will become effective when signed by the parties, and will remain in effect until terminated in writing by the carrier or canceled in whole or in part by MTMC.

**II-2. Carrier Application.** Carriers wishing to transport DOD passengers must apply for MTMC Military Bus Agreement program approval. Applicants must have a minimum of one year of operating and passenger transportation experience. Carriers must submit the following information to the MTMC approving office:

- a. Signed Military Bus Agreement Signature Page (page iv)
- b. Carriers' Interstate Commerce Commission (ICC) or Federal Highway Administration (FHA) Certificate of Public Convenience and Necessity, and/or a copy of State Operating Certificates. Deregulated state applicants must submit a notarized statement that carrier meets all state licensing requirements.
- c. Interstate carriers are no longer required to have and submit a Department of Transportation Safety Fitness Rating (see Item III-3).
- d. Certificate of Insurance (Attachment 3). This form is required for companies not holding ICC/FHA authority and must be notarized. All other companies may submit the ACORD certificate of insurance form for MTMC's information.
- e. List of Carrier Personnel to be contacted for transportation arrangements or questions (Attachment 4).
- f. A completed Inventory Listing of Equipment (Attachment 5).
- g. A signed copy of the Certification Regarding a Drug/Alcohol-Free Workplace (Attachment 6)

- h. A completed and signed copy of the Statement of Common Financial or Administrative Control. All carriers must notify MTMC of their affiliation with other passenger transportation carriers (Attachment7).
- i. Company's Standard Carrier Alpha Code (SCAC) assigned by the National Motor Freight Traffic Association (NMFTA). To obtain a SCAC, contact the NMFTA at 703-838-1832.

**II-3. Carrier Selection.** Carrier Selection will be determined as the offer or combination of offers that provides the highest level of service at the best overall cost to satisfy the movement requirements. Only commercial carriers who have demonstrated the ability to provide safe and reliable transportation through the DOD Approval process will be permitted to transport DOD passengers.

**II-4. MTMC Inspections.** The DOD will perform capability surveys and operational standards of service/safety checks to assure the carrier meets the standards defined in Attachment 1. Personnel performing these checks will be properly identified. In addition, the Carrier agrees to allow either scheduled or unannounced safety surveys of its facilities, records, and equipment. Carriers must make available to MTMC or its'contracted representatives all company records necessary to determine carriers' compliance with State and Federal regulations. Likewise, Carriers' driver's annual summary of drug and alcohol testing records will be provided upon request as part of the inspection in accordance with 49 Code of Federal Regulations Parts 382 and 391. Such surveys are to be conducted by the Government or its contracted representatives upon presentation of a letter of authorization from a MTMC traffic management official.

**II-5. Equal Employment Opportunity.** During the performance of this agreement, the carrier agrees as follows:

- a. The Carrier will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The carrier will take affirmative action to ensure that applicants are employed, and that employees are treated without regard to their race, color, religion, sex, or national origin. Such action will include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Carrier agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this Equal Employment Opportunity clause.
- b. The Carrier will, in all solicitations or advertisements for employees placed by or on behalf of the carrier, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

- b. The Carrier will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the carrier's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and will post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Carrier will comply with all provisions of Executive order No. 11246 dated September 24, 1965, and with the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The Carrier will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to the company's files and records for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. If the Carrier is in noncompliance with the Equal Employment Opportunity clauses of this agreement or with any of such rules, regulations or orders, this agreement may be canceled, terminated, or suspended in whole or in part and the carrier may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965. Other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rules, regulations, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The Carrier will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provision will be binding upon each subcontractor or vendor. The Carrier will take such action with respect to any subcontract or purchase order as the Military Agency may direct as a means of enforcing such provision, including sanctions for noncompliance; provided, however, that in the event the Carrier becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Military Agency, the Carrier may request the United States to enter into such litigation to protect the interests of the United States.

**II-6. Services Contract Act.** Carriers will comply with all provisions of the Services Contract Act of 1965 (Attachment 7), if one of the exemptions in 41 U.S.C. 356 does not apply.

**II-7. Carrier Representatives.** When bidding on movements arranged by MTMC, carriers may designate a person or agency to represent them; however, the Carrier is responsible for actions of its' representative.

**II-8. Financial Responsibility.** Carriers are responsible for prompt payment of bills for purchases of fuel, food, supplies, lodging, and other expenses incidental to transporting DOD groups.

**II-9. Overcharges.** The Carrier will promptly refund any overcharges to the Government. Amounts due to the Government may be deducted from future payments due to the Carrier.

**II-10. Safety & Accident Prevention.** The Carrier, while performing any transportation on government installations, will conform to safety rules and requirements of the installation.

**II-11. Accident Reporting.** When a charter bus carrying DOD passengers is involved in an accident that results in an injury, fatality, or substantial property damage, the carrier will immediately provide the following information to MTMC (See II-16) by the most expeditious means possible:

- a. MRO number (if applicable)
- b. Date, time and place of accident
- c. Nature of accident
- d. Number of DOD passengers on board, by military branch
- e. Number, and location of injured passengers, by military branch
- f. Number, and disposition of passenger fatalities, by military branch
- g. Last point of departure and point of intended destination
- h. Condition of baggage and impedimenta
- i. Arrangements to accommodate uninjured passengers pending onward travel
- j. Copy of accident report from the appropriate law enforcement agency (when available)

**NOTE:** The names and extent of injury or death of passengers will be withheld from the public, pending notification of the next of kin by DOD. Announcements may be made by the Carrier about its own employees at the Carrier's discretion.

**II-12. Contingencies.** The Carrier will, during any period of emergency as determined by the Secretary of Defense or his designee, give priority consideration to military missions. When concurrent shipments of small arms ammunitions in the baggage compartment of commercial busses transporting troops is determined mission essential by the responsible commander, the requirement furnished to Headquarters MTMC will specify by type and quantity any weapons, ammunition, or other hazardous items which will be moved and whether they will be hand-carried or packed as impedimenta. The following conditions apply for transporting small arms ammunition on commercial busses:

- a. Cartridges for weapons under 11 pounds may be carried within a passenger's checked baggage, provided it is in the manufactures' original package or securely boxed and stowed in the bus cargo section which is inaccessible to passengers. Weapons stowed in the baggage compartment must be assembled, unloaded and containerized crew service weapons (M-60, 50 Cal, etc.) must be transported in baggage compartment and securely locked.
- b. Commercial busses under exclusive-use for military personnel can carry shoulder fired and side arm weapons aboard passenger compartment of bus conducted for the military forces of the United States if firearms are unloaded and all bolts locked in the open position. The weapons safety switch must be in a safe position. For M-16 weapons, an inserted flag safety stick may be used to lock the bolt in proper position and allow visual inspection. The Unit commander or officer in charge will notify the appropriate carrier personnel that weapons will be carried aboard the bus.
- c. For shipment, cartridge for weapons shall be packed in accordance with 49 CFR 173.230, and may be transported as ORM-D. These items will be limited to:
  - (1) Ammunition for rifle, pistol or shotgun;
  - (2) Ammunition with inert projectiles or black ammunition;
  - (3) Ammunition having no tear gas, incendiary, or detonating explosive projectiles;
  - (4) Ammunition not exceeding 12.7mm (50 caliber or 0.5 inch) for rifle or pistol, cartridges or 8 gauge for shotshells.
- d. Packing cartridges for small arms as ORM-D material in CONUS must be as follows:
  - (1) Ammunition must be packed in inside boxes, or in partition which fits snugly in the outside packing, or in metal clip;
  - (2) Primers must be protected from accidental initiation;

(3) Inside boxes, partitions or metal clips must be packed in securely-closed strong outside packing;

(4) 22 caliber rim-fire cartridges may be packed loose in strong outside packing;

(5) Maximum gross weight is limited to 30kg (66 pounds) per package.

e. Hazardous Materials requiring vehicles to be placard IAW Title 49 CFR or Class 1, Division 1.1, 1.2, 1.3 and 1.4 except 1.4S are prohibited from being transported by buses.

## **II-13. Safety & Quality Assurance.**

- a. The Carrier is obligated to comply with generally accepted standards for motor coach operation and maintenance practices. As a minimum, the Carrier shall comply with all provisions of applicable statutes and agreements which may affect safety, and with all Department of Transportation and State regulations, directives, orders, rules and standards. Compliance with published standards may not, standing alone, constitute compliance with generally accepted standards of operation, training or maintenance.
- b. The cleanliness and orderliness of a bus may be valid indicators of the overall maintenance level of the equipment and may have a direct effect on the security and confidence of passengers. Therefore, the carrier's failure to keep equipment clean, orderly, and in a good state of repair may be deemed a failure to comply with generally accepted standards of maintenance. Failures that go beyond mere cosmetic or housekeeping deficiencies may relate in some manner to lost confidence in the safety of the equipment.
- c. Unit commander or designated person in charge may refuse to accept buses that are unclean, have an offensive odor, or if passenger comforts are not met.
- d. Carriers who have extra holding tanks may use them in lieu of additional rest stops when coordinated with the TO at the pre-performance conference.
- e. All carriers must service rest rooms twice on each trip of 15 hours or more, to avoid passenger discomfort. Rest room service stops should be coordinated to coincide with meal breaks.
- f. If a Carrier provides equipment or drivers that are in an out of service condition as defined by the North American Uniform Out of Service Criteria, adopted by the Commercial Vehicle Safety Alliance, or fails to comply with applicable Federal and State laws, MTMC may place the Carrier in immediate nonuse pending a Carrier Review Board (CRB) or a review of its qualification to do business with the DOD.
- g. All other nonuse or disqualification actions are subject to the provisions of MTMC Regulation 15-1 (Copy available upon request).

**II-14. Sleeper Berths.** The installation and use of sleeper berths on equipment used for DOD movement is prohibited. On movements where more than one driver is required to complete the trip, such additional drivers will be pre-positioned at driver change points in sufficient time to allow adequate rest. Normally, no more than one driver at a time will be permitted on each bus. Deadhead drivers and mechanics will be allowed to ride only where seats over and above the number guaranteed in the Carrier's Rate and Service Proposal are available, and prior permission is obtained from MTMC or the contracting installation.

**II-15. Carrier Name/Ownership Change.** Carrier is required to notify MTMC within 30 days of carrier name or ownership change. Carriers failing to notify MTMC may be placed in temporary non-use until carrier is in full compliance.

**II-16. Termination.** This Agreement may be terminated by the Commander, MTMC, on behalf of the DOD or by the Carrier, upon 30 days prior written notice. Such termination will not affect the rights or obligations which have vested or accrued prior to the effective date of such termination.

**II-17. Communication with MTMC.**

a. Contact MTMC by telephone during normal duty hours; **8:00 a.m. to 5:00 p.m.**, Eastern Time, Monday through Friday.

(1) Operational problems, 703-681-9444.

(2) After normal duty hours, Staff Duty Officer at 703-681-6125.

b. Communications concerning this agreement should be directed to:

**HQ, MTMC  
Attn: MTPP-AS  
200 Stovall Street  
Alexandria, VA 22332  
703-428-3270**

**II-18. 24 Hour Telephone Contact.** All carriers will complete Attachment 4 on company letterhead. Telephone numbers will be provided to obtain bids during normal business hours as well as emergency numbers for contacting a company official or representative at night, on weekends, and holidays. Carriers' 24-Hour Telephone Point of Contact information is to be included on each Offer of Service provided to either MTMC or the Transportation Office. It is imperative that the carrier be accessible during the operation of awarded DOD business for emergency operational issues.

**II-19. Drug/Alcohol Free Workplace Act of 1995.** Carriers must comply with the provisions of attachment 6.

### **PART III - ELIGIBILITY REQUIREMENTS FOR MOVING DOD PASSENGERS**

**III-1. Insurance.** Interstate carriers will have insurance coverage in the amount required by the Federal Highway Administration (FHA). Intrastate carriers will have insurance coverage in the amount required by their state regulatory body. Carriers operating both intrastate and interstate are required to comply with FHA insurance requirements. Proof of commercial insurance is not required for those carriers self insured under FHA/DOT criterion. For those intrastate carriers not licensed by FHA a current certificate of insurance will be filed with MTMC (Attachment 3). This certificate requires insurance companies to notify MTMC when insurance coverage is canceled, the limits adjusted or other significant changes implemented. The Certificate of Insurance will be executed in every detail, notarized and submitted to HQ, MTMC, Attention: MTPP-AS, 200 Stovall Street, Alexandria, VA 22332-5000. All signatures must be original handwritten signatures. Rubber stamp impressions or other facsimiles are not acceptable. Nothing in this part or elsewhere in this agreement will be construed to limit or affect in any manner the common carrier liability or other liability of the Carrier. In addition, MTMC requires all approved motor carriers to carry proof of insurance on all equipment.

**III-2. Certification Requirements.** The Carrier must hold current charter or common carrier operating authority as required by appropriate regulatory agencies.

- a. Interstate Operating Authority. Carriers performing interstate operations as either common or contract carriers for the DOD will file current copies of their FHA operating authority with MTMC.
- b. State Operating Authority. Carriers must have current operating authority from those states in which they will perform operations for the DOD. Those Carriers will submit copies of the appropriate state operating certificate or a separate notarized statement that they meet all state licensing requirements if the state is deregulated.

**III-3. Department of Transportation (DOT) Ratings.** Interstate carriers are not required to hold a DOT Safety Fitness Rating (SFR) to qualify or maintain their approval; all approved carriers are subject to inspections by the Government or its contracted representative in accordance with paragraph III-4. Approved interstate carriers who obtain or currently hold an SFR, and receive a less than satisfactory rating from DOT or any state regulating authority, will be placed in non-use until MTMC reviews the carrier's infraction.

**III-4. MTMC Capability Survey.** Prior to final approval, carriers are required to undergo an on-site Facilities, Terminals and Equipment (FTE) inspection performed by the Government or its contracted representative. All carriers, including those previously approved, will be subject to periodic FTE inspections to determine their ability to provide safe, reliable transportation for the



DOD. MTMC may also conduct periodic Standards of Service and Safety (SSS) inspections and en route observations. Carriers who fail a MTMC FTE inspection will be removed from the list of approved carriers. Before reinstatement consideration, carrier must pass a new FTE inspection, the cost of which will be borne by the carrier. Failure to pass a MTMC SSS inspection may be grounds for disqualification. Any carrier placed in a disqualification status may be subject to a FTE inspection prior to consideration for the carrier's reinstatement to an active status.

**III-5. Fleet Inventory.** The Carrier will provide an inventory of equipment to be used in transporting DOD passengers as shown at Attachment 5 of this agreement. The Carrier is responsible for updating this list biannually. In addition, carriers are required to identify their vehicles for MTMC use. Carriers' equipment must have company name, ICC/FHA number, authority, state and principle place of business indicated on vehicles.

- a. Approved motor carriers are required to identify vehicles, designated for MTMC/DOD transportation with legal name of the operating company, city, and state of principal place of business, and DOT or ICC number (if required) on the outside of the vehicle in clearly legible print. Although motor carriers subject to the Federal Motor Carrier Safety Regulations (FMCSR) are required to identify their "commercial motor vehicles," not all MTMC carriers are subject to the FMCSR. Nevertheless, all MTMC approved carriers must comply with this requirement.
- b. MTMC prohibits approved motor carriers from offering a bid to provide service that is greater than their current inventory on file with MTMC. MTMC prohibits the practice of brokering to other approved /non-approved carriers (See I-1).

**III-6. Standard Carrier Alpha Code (SCAC).** The Carrier will obtain a SCAC from the National Motor Freight Traffic Association as part of the approval process. This code is required on the SF 1113 which a carrier must submit, along with a GTR, for payment (See IV-18).

**III-7. Operating Experience.** Carriers must have at least 12 months operating experience in the type services sought by the DOD prior to being considered for approval by MTMC. The 12 months experience must be continuous and immediately preceding application for DOD business.

**III-8. Driver Qualifications.** Drivers, in addition to meeting the DOT's requirements, must be legal residents of the United States, be able to communicate in English, hold a current commercial driver's license or be properly qualified and licensed to operate the type of equipment owned by the carrier. MTMC prohibits approved carrier's from using drivers that do not have in their possession a properly completed, current certificate of medical examination. Failure to possess a medical certification carries the same weight as an "out of service" condition.

**III-9. Financial Statements.** Motor coach carriers must furnish financial statements certified by the company Chief Executive Officer, President or Owner. These financial statements must include company certified balance sheets and income statements for the last taxable year. Carriers must have no less than least 12 months operating experience and must provide company certified balance sheets showing all assets and liabilities. Carriers must furnish financial data to MTMC at time of application or upon request to determine carrier can provide satisfactory transportation performance and avoidance of severe financial problems.

**III-10. Security.** The Carrier will comply with security procedures in effect at military installations.

## **PART IV-PROCEDURES FOR GROUP MOVEMENTS**

**IV-1. Applicability.** Military Bus Movements may be arranged by either MTMC, TO's or CO's. Service offered may be on charter or scheduled service. Offering service with the intent of brokering or subcontracting to another carrier is prohibited. Carriers must own or lease all equipment proposed for military movements prior to bidding and must provide liability insurance on all buses to the limits specified in paragraph III-1. The Defense Transportation Regulation Part 1, Passenger Movement, establishes bus routing authority in Chapter 102, Section F GROUP MOVEMENTS and Chapter 104, Section B ROUTING AUTHORITY. TO's have the option of requesting routing assistance from MTPP-AS.

### **IV-2. MTMC Arranged Moves.**

- a. **Request for Service.** MTMC will, based on TO request, submit a Request for Service to the carrier or the carrier's representative for each group of passengers. The Request for Service will contain the origin and destination of the group, the number of passengers in the group, the branch of military service, the estimated number of pieces and weight of baggage, dimensions, number and weight of pieces of impedimenta, the time the group is available for travel, the required arrival time, the deadline for submission of offers of service, and any other information pertinent to the military transportation requirement.
- b. **Rate and Service Proposals.** A Rate and Service Proposal is the carriers' response to MTMC's Request for Service. Rate and Service Proposals must be accurate, complete, and received by MTMC prior to the deadline date/time established by the Request for Service. Proposal will name the carrier that offers to perform the service, capacity of the bus, origin, intermediate stops, total charges for the movement and all provisions and/or restrictions applicable to the offer of service. All transportation schedules will be quoted in local times on the day of movement. Once the Rate and Service Proposal has been submitted, the Carrier guarantees that the necessary equipment to satisfy the movement requirement will be available. Revisions to Rate and Service Proposals will be accepted by MTMC up to deadline. MTMC will accept telephonic revisions when time does not permit written revisions, however, MTMC must receive written confirmation within two hours after deadline. Revision to the total charge will not be accepted after deadline. If the carrier withdraws from providing service under the awarded Rate and Service Proposal, provisions of paragraph IV-15 apply.
- c. **Carrier Selection.** MTMC will select the carrier or carriers whose offers or combination of offers provides the highest level of service at the best overall cost to satisfy the movement requirements. MTMC will advise the carrier or the carriers representative and the TO of the selected Carriers. The Carrier and the TO will coordinate appropriate movement arrangements. All TO and Carrier records relating to the movement will be annotated with the MRO number.

**IV-3. Prescribed Equipment.** All DOD passengers specified in the Rate and Service Proposal will receive an individual seat. All baggage and impedimenta will be normally transported in the bus baggage compartment. Carriers will offer standard level of security during the transport of DOD personnel. Baggage compartments must have operable locks and latches, and doors must be able to be secured.

**IV-4. Conference Attendance.** When pre-performance meeting is requested by a TO, MTMC or carrier(s), all parties must attend.

**IV-5. On-Site Representation.** Carriers will provide an on-site representative's name, and a 24-hour emergency contact number to MTPP-AS, a designated representative or directly to the TO for locally arranged moves.

**IV-6. Route Map.** Each driver may be requested to present a route map to the TO, and demonstrate familiarity with the trip plan to include routing, exact location of rest and meal stops, and sanitary dump locations.

**IV-7. Rest Stops/M Meal Stops.** Rest stop locations will be determined by the carrier. Meal stops indicated in the movement schedule will be prearranged by the carrier. Carriers must coordinate rest stop and meal stop locations among themselves, when more than one carrier is meeting movement requirements, to avoid overloading any one location.

**IV-8. Equipment Inspection.** Each driver, prior to departure from the origin point, may be requested to present to TO/MTMC a Vehicle Condition Report, indicating a bus standard of service/safety inspection was conducted by the carrier prior to dispatch from the company offices.

**IV-9. Prepositioning Equipment.** The carrier will position equipment at the point of origin 1 hour or as concurrent in advance of the scheduled movement departure time to permit loading and on time departure. MTMC or the TO may coordinate with carrier prepositioning to allow for vehicle inspections. Carrier is required to coordinate with connecting transportation to insure proper positioning time. Any changes to originally agreed upon times must be reported to either the appropriate TO or MTPP-AS.

**IV-10. Passengers.** Passengers will become the responsibility of the Carrier at load time/boarding time as shown on the Rate and Service Proposal or as agreed between the TO and carrier. The carrier's responsibility will terminate when passengers, baggage, and impedimenta are off loaded at destination.

**IV-11. Rejection of Equipment.** MTMC or the TO at origin point is authorized to reject any equipment positioned by the carrier (whether movement was arranged by the TO or MTMC) when the equipment does not meet Department of Transportation Motor Vehicle Requirements, or the specific requirements requested or the minimums prescribed in Attachment 1 of this agreement. If the movement was arranged by the TO, the carrier will correct the existing

deficiencies, arrange for acceptable replacement equipment, or arrange substitute service. If the movement was arranged by MTMC the carrier will notify MTMC who will determine whether (1) replacement equipment should be obtained from another approved source (See IV-15, Substitute Service), (2) adjustment in the deadline for arrival is feasible, (3) the offered equipment will be accepted, or (4) alternative transportation by another mode must be arranged to satisfy the requirement. The DOD will not be liable for any additional deadhead mileage or other charges as a result of positioning replacement equipment. If a delay of 20 minutes or more occurs, see IV-18 Delays and IV-19 Delay Reports.

#### **IV-12. Meals and Lodging.**

- a. When requested by MTMC/TO, and the enroute time of a charter bus mission extends through normal meal periods (see Attachment 1), the Carrier will arrange for meal stops at restaurants approved by the U. S. Public Health Service.
- b. Meals will be procured by Uniformed Services Meal Ticket(s), DD Form 652, issued by the TO, and presented by the military group leader to the vendor. The Carrier will inform the vendor of the maximum value of meal tickets for meals purchased in restaurants as follows:

|                |                |
|----------------|----------------|
| <b>Morning</b> | <b>\$6.00</b>  |
| <b>Noon</b>    | <b>\$6.00</b>  |
| <b>Evening</b> | <b>\$16.00</b> |

- c. When the carrier causes changes and prior meal arrangements cannot be met, the carrier is responsible for charges imposed by the vendor. When arrangements made by the carrier are not used because of changes directed by MTMC or the TO and the carrier is required to reimburse the vendor, the carrier is authorized to bill the appropriate DOD agency for reimbursement. The carrier will furnish substantive evidence to support the costs claimed.

**IV-13. Cancellation Charges.** When notice of cancellation of a charter is furnished by ITO/MTMC after equipment and or driver has been positioned or while ferrying to the origin pickup position, the Government will be financially liable for only the actual operating costs incurred by the carrier. The carrier will furnish ITO/MTMC with substantive evidence to support all claimed cost. All charges specific to the carrier, must be supported by the carrier's tariff or tender. Cancellation penalties must also be stated on the Offer of Service prior to award by the ITO/MTMC.

- a. Additional Expenses. When a carrier incurs additional expenses as direct result of the government's request to change a movement originally stated in the order of service required, or the passengers fail to meet the scheduled departure, the Government will be financially liable for additional direct costs such as, but not limited to, driver time, meals and/or cost of re-routing the bus. The carrier will furnish MTMC/TO with substantive evidence to support the costs claimed.

**IV-14. Baggage and Impedimenta.** The carrier will transport at least the amount of baggage and impedimenta specified in the Rate and Service Proposal. Carrier personnel will supervise and assist in the loading and unloading of baggage and impedimenta by military personnel. The carrier is responsible for insuring that baggage/impedimenta and baggage compartment doors are properly secured. With advanced coordination, the carrier will provide locks to secure the bus and/or baggage compartment.

**IV-15. Liability.** The liability for the loss of or damage to baggage and impedimenta will be as specified in the Carrier's tariffs.

**IV-16. Dangerous, Frangible or Unsuitable Baggage.** If the Carrier has a reasonable belief that the weight, size or character of baggage make it unsuitable for bus transport, the Carrier, prior to or at any stage of the journey, may refuse to carry the baggage.

**IV-17. Government Services.** Government services furnished to the Carrier at any military installation will be in accordance with the applicable military agency directives. Such services may be charged to the Carrier.

**IV-18. Delays.** When a delay of 20 minutes or more occurs at any point of the movement for any reason, the carrier will:

- a. Immediately inform the origin TO and the arrival station of the problem. For moves arranged by MTMC, advise MTMC of the delay and actions being taken to correct the situation. (See Part II-16 for telephone numbers.)
- b. Arrange passengers' meals and necessary transportation to and from meal sites during normal meal hours.
- c. Arrange for overnight lodging and necessary transportation to and from such lodging, when delays occur between midnight and 6 a.m.
- d. Report schedule changes to any air or rail carrier assigned to perform connecting service to assure availability of service for delayed missions and to prevent unnecessary charges for waiting times or cancellations. MTMC will provide the carrier with the appropriate contact telephone numbers. MTMC will assist if the carrier cannot contact the air or rail carrier.
- e. If the delay is determined to be chargeable against the carrier, the carrier will be responsible for any other added costs such as, but not limited to, the cost of meals, lodging, transportation to and from meals and lodging, aircraft and supplemental bus waiting time charges, cancellation or rescheduling charges associated with the delay, and any other charges imposed on the Government. If the delay is uncontrollable, the Government will reimburse the carrier for any expenses incurred providing the above services.

#### **IV-19. Delay Reports.**

- a. A written report will be submitted by the Carrier on all MTMC arranged movements delayed 20 minutes or more from the scheduled departure/arrival time contained in the Rate and Service Proposal. The report will be submitted within 24 hours of the delay, or on the first working day following the delay. Reports should be addressed to:

**HQ, MTMC  
Attn: MTPP-AS  
200 Stovall Street  
Alexandria, VA 22332-5000**

- b. If the report cannot be provided on time, the Carrier will notify MTMC, MTPP-AS at 703-428-3275 to request an extension. The reason for late submission and the date/time of the report will be provided.

- c. The delay report will contain the following information:
  1. Delay at origin or en route point: provide actual departure time and place.
  2. Delay at destination: provide actual arrival time and place. On locally arranged movements a report will also be furnished to the TO in accordance with his or her instructions.
  3. Reason for the delay.
  4. Corrective actions taken.
  5. Other pertinent information necessary to fully explain the circumstances of the delay.
- c. On locally arranged movements, a report will be furnished to the TO in accordance with his or her instructions.

#### **IV-20. Substitute Service.**

- a. Requirement for Substitute Service. When the Carrier is unable to perform in accordance with the scheduled departure time at any location, for any reason other than an uncontrollable delay, the Carrier will provide substitute transportation at its own expense for continued transportation to the destination. Substitute service will ONLY be from the carrier's own resources or from another bus carrier holding a currently approved agreement with MTMC.

- b. Procedures for Substitute Service. The Carrier has two hours from the start of the delay to arrange satisfactory substitute service including repair/restart of the original bus. If the Carrier cannot demonstrate that satisfactory substitute service will be provided, MTMC/TO may cancel the original movement and re-procure. If the Carrier has demonstrated a satisfactory plan for substitute service by the two hour mark, MTMC/TO may allow the Carrier an additional two hours to actually transport required equipment to the site of the delay. If MTMC/TO determines that the Carrier is making good faith efforts to overcome a delay but that conditions beyond the control of the Carrier, including geographic distances and features, prevent or delay substitute service arrangements, MTMC/TO may at its sole option extend the above time limits.
- c. Costs of Substitute Service.
  - 1. When substitution of a bus is made for the convenience of the Carrier, the rate will not exceed that specified in the Rate and Service Proposal accepted by the Government, or the applicable charges for the type bus substituted, whichever is lower.
  - 2. If the Government must cancel and re-procure as a result of nonperformance by the original carrier, that carrier will be liable for the difference between what the Government would have paid originally and the cost of the substitute service. Upon request, the Government will furnish evidence that it made reasonable and prudent efforts to secure the lowest possible proposal available for such substitute service.
  - 3. When the cost of substitute service acquired by the Carrier is less than the amount that the Government agreed to pay for the Carrier's service, the Government will pay only the lower costs.
  - 4. When a movement is canceled because the Carrier cannot perform satisfactorily, the Government will not pay any cancellation or positioning charges.
- d. Additional Capacity. When the equipment furnished has greater capacity, contains additional facilities, or is of a higher classification than that agreed to for the assigned move, charges will be based on rates applicable to the equipment initially agreed upon.
- e. Notification. When a movement has been arranged and it becomes necessary to use a substitute carrier or bus, the pertinent facts will be reported to MTMC or the appropriate TO immediately by telephone.

**IV-21. Additional Expenses.** When a Carrier incurs additional expenses as a result of the Government's request to change the move as originally stated in the Rate and Service Proposal or the passengers fail to meet scheduled departure, the Government will be liable for additional costs such as, but not limited to, driver duty time, meals, or costs for rerouting the bus. The carrier will furnish MTMC with substantive evidence to support the costs claimed.



**IV-22. Complaints.** The Carrier will investigate promptly and take corrective action on any reported irregularities relating to service, safety, condition of equipment and settlement of accounts.

**IV-23. Payment Procedures.** The carrier will accept the GTR, (SF 1169), for payment of transportation services. The Carrier will also accept the GTS system for payment where available.

- a. For payment of GTR, carriers shall bill the United States Government on Standard Form 1113, Public Voucher for Transportation Charges, appropriately supported. Carriers shall send bills to the "charges to be billed to" address shown on the face on the GTR.
- b. Carriers using the GTS Corporate Charge Program shall bill on Standard Form 1034, Public Voucher for Purchase Other Than Personal, appropriately supported. Carriers shall send bills to the responsible paying office.
- c. As of January 1999, all approved carriers must accept Government credit cards for the payment of transportation services. Carriers must accept payment by Travel and Transportation Payment Expense System contracts, Federal Government corporate charge accounts or other official government credit systems designated for the payment of transportation services.

**IV-24. Government Charter Coach Certificate (GCCC).**

- a. When charter coach service is used, the Carrier will execute and furnish four copies of the GCCC which will be certified by the appropriate TO.
- b. When a carrier provides coach service from an airport or other point to the destination, the Carrier will provide four copies of the GCCC to the destination TO for certification. In those cases where there is no destination TO, the GCCC will be sent to the origin TO for certification.
- c. The Carrier will be provided one copy of the signed GCCC for his files and one copy for transmittal to the appropriate finance office.
- d. See ATTACHMENT 2 for instructions and Sample GCCC.

**IV-25. Public Voucher Form SF1113.** This form is obtained from the Superintendent of Documents, US Govt. Printing Office, ATTN: Order Desk, Washington D.C. 20402, and must be filed for payment with the appropriate finance office.

**IV-26. Billing Procedures for GTR Lost by Carrier.**

- a. When a carrier has lost or misplaced a GTR, it shall bill the charges for the services furnished on a SF 1113, Public Voucher for Transportation Charges, annotated with the following signed certification: "I certify that all U.S. Government Transportation Requests (GTR's) honored by the above-named Carrier or travel agent pass into my office; that ticket(s) (form and ticket number(s)), value of ticket(s), accommodations (number and type), points of travel (from and to) annotated below was/were furnished in exchange for the specified GTR; that the stated value(s) is/are true and correct; that the said GTR has been lost or misplaced and cannot be located; that

the honoring carrier has not received payment, and that, if the said GTR is later found, it will be marked 'Canceled - Certification in Lieu Issued' and transmitted to the General Services Administration (GSA), Transportation Audits, (FW), 18<sup>th</sup> & F Streets, N.W. Washington, DC 20405, and no claim made thereon." Copy/copies of ticket coupon(s), with the GTR number visible, will be attached in support of the SF 1113. A statement of any other pertinent facts and circumstances should be included. Each lost or misplaced GTR shall be billed on a separate SF 1113 to be distinguished from charges applicable to other GTR'S.

- b. The carrier may transmit its bill (SF 1113 with certification) to the GSA, Transportation Audits, (FW), 18<sup>th</sup> & F Streets, N.W. Washington, DC 20405, if the paying agency is unknown.

**IV-27. Local Moves Routed by the TO.** For moves routed by the TO under delegated routing authority, the following applies:

- a. Request for Service. The TO may request bids for service. Requests for service will normally contain the origin and destination of the group, the number of passengers, the estimated amount of baggage, and impedimenta, the time the group is available for travel, the deadline arrival time at destination, and any other information pertinent to the military transportation requirement. The carrier will become familiar with the selection process used by the TO to award movements.
- b. Carrier Response. The carriers will respond to the TO's Request for Service, providing all necessary information. Carriers response must include an outline of all scheduled charges applicable to the transportation service or services to be performed.
- c. Carrier Selection. Carrier Selection will be determined as the offer or combination of offers that provides the highest level of service at the best overall cost to satisfy the movement requirements. Only commercial carriers who have demonstrated the ability to provide safe and reliable transportation through the DOD approval process will be permitted to transport DOD passengers.

**IV-28. Leasing Equipment for DOD Transportation Requirements.**

- a. Contract of Lease. No Carrier offering service pursuant to this agreement may charter, rent, borrow, lease or otherwise operate any bus to which such Bus Carrier is not the registered operator, except pursuant to a written contract of lease. Such written contract of lease shall be for a specified period of time of not less than 30 days, and shall provide that the bus or buses identified in the contract or lease shall be operated by, and be under the complete control of, the lessee, and for purposes of this agreement as well as regulatory purposes, including insurance, rates and charges, vehicle identification and motor vehicle fuel and road taxes, such bus or buses shall be considered those of the lessee.
- b. Qualification of Lessor. No Carrier may enter into a contract or lease as provided in the preceding paragraph unless the lessor is a Carrier party to this agreement, and no bus or buses shall be leased by the lessor that do not conform to the Standards of Service of this agreement.

## *CONTRACT AND CHARTER BUS TRANSPORTATION*

### *STANDARDS OF SERVICE*

Intercity buses used for group movements will afford passenger comfort needs as follows:

- a. **Seat Specifications.** Passengers' seats will be of such design as to afford optimum comfort during movement and will:
  1. Be upholstered with foam rubber or other material providing equivalent comfort which will prevent contact with structural parts of the seat bottom or back. Seats with shifted or excessively worn cushioning will not be acceptable, even if they otherwise meet the requirements specified in this section.
  2. Be equipped with two padded arm rests of such density as will provide adequate vibration insulation and prevent the feel of any arm cap protuberance through the padding. They will be at least 1 ½ inches wide with one located at the wall side of the coach and the other located at the aisle side.
  3. Be of minimum width of 37 ½ inches for double seats or two passengers and 16 ½ inches for single seats. Existing equipment configured at 34 inches for double seats is acceptable.
  4. Be capable of reclining to 30 degrees, except for seats immediately ahead of lavatories or those in the extreme rear of the coach. The degree will be measured from a line perpendicular to the floor to a line tangent to the front surface of the seat back when fully reclined. The seat adjustment lever for each passenger will be located conveniently for use of the seated passenger and designed so it will not present a hazard to the occupant when seated or when entering or leaving the seat.
- b. **Seat Spacing.** Measured parallel to the floor, seat spacing will not be less than 35 inches center to center. Existing equipment configured at 34 inches is acceptable. Where passengers' seats face a bulkhead, tire well, or other obstruction, a minimum of 22 inches leg room, as diagonally measured from the top forward edge of the seat cushion to the base of the obstruction, must be provided.
- c. **Aisles.** Aisles will allow unobstructed passage to lavatory, doorways, and seats. They will be at least 12 inches wide measured parallel to the floor at all levels up to and including the armrest, and at least 17 inches wide above the armrest level. Aisle widths will be measured as the shortest distance between lines paralleling the longitudinal axis of the bus through the inboard edge of any seat or obstruction. Minor variances 7 (not over one inch) may be authorized by MTMC where not more than two aisle seats in successive rows per coach prevent compliance.

- d. **Coat Racks.** Overhead rack space must be provided for coats, hats, and parcels.
- e. **Temperature Control.** In areas and during seasons where required for the comfort of passengers, buses must be equipped with air conditioning and heating units. The interior temperature of the coach must be so controlled as to insure passenger comfort at all times regardless of seasonal weather conditions.
- f. **Cleanliness and Serviceability of Equipment.** Prior to departure of equipment from garage point, it must be serviced so as to be in proper operating condition. The interior and exterior must be thoroughly cleaned.
- g. **Headrest Covers.** Clean and sanitary headrest covers of paper, cloth, or plastic must be supplied for each seat, except in the case of seats expressly designed and manufactured to eliminate the use of detachable headrest covers.
- h. **Lighting.** Buses must be equipped with adequate lighting to serve the needs of individual passengers.
- i. Food Service.
  - 1. **Meal Stops.** Either the Carrier assigned a movement, or the designated Carrier if more than one Carrier is involved, will have the responsibility for arranging clean and sanitary meal stops. When prior meal stop arrangements are made by the office requesting movement, the Carrier will be advised. Local unit contacts and local TOs will assist the Carrier on matters concerning meal stops and service when requested. Consideration must be given to the size of the group being moved, laws of the States through which the movement passes, and availability of accommodations. When routing group movements under delegated authority, TOs are encouraged to obtain competitive bids for meal service for groups using meal tickets.
  - 2. **Meal hours.** Normally, meal hours will be as provided below, but consideration must be given to time of feeding prior to departure and the advisability of spacing the meals approximately 4 to 5 hours apart. Normal meal periods are defined by serving times as follows:
    - (a) Breakfast is from 0600 through 0730 hours.
    - (b) Lunch is from 1130 through 1300 hours.
    - (c) Dinner is from 1700 through 1830 hours.
  - 3. **Alcoholic beverages.** Alcoholic beverages will not be served aboard buses.

**j. Briefing of Passengers.**

1. Each carrier must brief the person in charge regarding route to be followed, stops enroute, and other service items.
2. During movement, the person in charge must be briefed concerning irregular events that occur and all reasons for delays or other interruptions to movement.

**k. Delivery of Passengers - Intermodal Movements.** Groups transported to airports, military airfields, or railroad stations will be delivered at such specified time determined necessary by MTMC or the responsible TO to accomplish timely transfer.

**l. Nonsmoking Section.** A nonsmoking section within each bus will be designated in accordance with carrier practices.

**m. Restrooms.** Restrooms must be clean, sanitary and functional. Restrooms must be supplied with toilet tissue, soap, paper towels, and fresh wash water, or towelettes in lieu of soap and water, during the entire journey.

## **GOVERNMENT CHARTER COACH CERTIFICATE**

**CALL MTMC'S, PASSENGER QUALIFICATIONS  
& PERFORMANCE BRANCH  
FOR A COPY OF THIS FORM**

# **INSTRUCTIONS FOR USING THE GOVERNMENT CHARTER COACH CERTIFICATE**

**Date Prepared:** Self Explanatory

**Company:** Name of carrier (if not printed on form)

**Telephone:** Include area code

**Representative At:** Location where arrangements to furnish equipment will be completed

**Person in Charge of Group:** DOD Group Leader

**For:** Exact name of military unit

**Number Passengers Requested:** As agreed with the Government

**Actual Buses Requested:** For example: 1/43, 2/45 as agreed with the Government

**Number/Capacity:** To be completed by driver indicating the number of buses actually used, for example: 1/39, 1/43, 1/45

**Going Loading Point:** Exact pickup address

**Exceptional Service Requested:** Services agreed on with the Government (public address system, locks, etc.)

**Report time:** Time bus is ordered to be at loading point (Specify CST, CDT, etc.)

**Leave date:** Time bus is to leave loading point (Specify CST, CDT, etc.)

**Live Miles Route:** Projected mileage to complete charter

**Deadhead Miles Route:** Projected mileage to position and deposition the bus(es)

**Return Loading Point:** Exact pickup address

**Exceptional Service Requested:** Agreed on with Government

**Report Time:** Time bus is ordered to be at loading point for return trip (Specify CST, CDT, etc.)

**Return Date:** Self Explanatory

**Itinerary** Self Explanatory

**Date** Self Explanatory

**Time** Self Explanatory

**1. Live Miles:** Number of miles multiplied by cost per mile.

**2. Deadhead Miles:** Number of miles multiplied by cost per mile

**3 Time Charges:** Days or hours multiplied by carrier's cost

**4. Subtotal:** Sum of 1, 2, and 3 above

**5. Bridge and Tunnel Tolls:** (Provide receipts)

**6. Highway Tolls:** (Provide receipts)

**7. Other:** Explain (Provide receipts)

**8. Subtotal:** Sum of 4, 5, 6, and 7 above

**9. Less Allowance When Applicable % of Line 4:** Discounted mileage, or result of multiplying line 4 by any quoted discounts

**Reason for Furnishing Larger Equipment:** Payment subject to terms of Military Bus Agreement

**Unusual Circumstances or Charges:** Payment subject to terms of Military Bus Agreement

**Routing No.:** Provided by the Government

**Transportation Request Nos.:** From Government Transportation Request (GTR)



**CERTIFICATE OF INSURANCE**

This is to certify that:

\_\_\_\_\_ (hereinafter called  
the Insurer) of  
(Name of Insurer)

\_\_\_\_\_ **has issued to** \_\_\_\_\_  
(Address of Insurer) (Name of Bus Carrier)

**(hereinafter called the Named Insured) of \_\_\_\_\_ an insurance**

(Address of Bus Carrier)

policy No. \_\_\_\_\_ with respect to the Public Liability of the said  
carrier for bodily  
injury effective from \_\_\_\_\_ to \_\_\_\_\_. The  
limits of liability

under the said policy are not less than the following, with respect to:

- (a) Vehicle with seating capacity of 16 passengers or more ... \$5,000,000.00
- (b) Vehicle with seating capacity of 15 passengers or less ... \$1,500,000.00

The terms and conditions of the policy apply within the following geographical limits (if any):

\_\_\_\_\_  
\_\_\_\_\_  
This policy complies with Department of Transportation requirements set forth in 49 C.F.R. 387  
and with  
Interstate Commerce Commission requirements set forth in 49 C.F.R. 1043. If the insurer  
changes or  
ancels the policy, insurer agrees to notify the Military Traffic Management Command, ATTN:  
MTPP-AS,  
200 Stovall Street, Alexandria, VA 22332-5000.

\_\_\_\_\_  
(Name of Insurer)  
Date \_\_\_\_\_ 19 \_\_\_\_\_  
\_\_\_\_\_  
(Name and Address of Broker - if applicable)

\_\_\_\_\_ personally appeared before me this  
\_\_\_\_\_ day

(Typed Name of Above Signatory)

of \_\_\_\_\_ and swore that he has personal knowledge that the insurance is in  
effect and is in

(Month and Year)

accordance with the terms specified hereon, and that he is authorized to sign the above certificate.

**Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_**

(Month and Year)

SEAL

\_\_\_\_\_  
\_\_\_\_\_

NOTE: All signatures must be handwritten. Rubber stamp impressions are not acceptable.  
**ATTACHMENT**

(COMPANY LETTERHEAD)

**CARRIER PERSONNEL TO BE CONTACTED**

BY TELEPHONE

| <u>NAME</u>                                 | <u>TELEPHONE NO.</u><br>(Include area code) | <u>HOURS AND DAY</u><br><u>OF WEEK</u> |
|---|---|--|
| PRIMARY EMERGENCY AND OPERATIONAL CONTACTS: |   |  |
| 1. _____                                    | _____                                       | _____ to _____                         |
| 2. _____                                    | _____                                       | _____ to _____                         |
| ADDITIONAL NAMES:                           |   |  |
| 1. _____                                    | _____                                       | _____ to _____                         |
| 2. _____                                    | _____                                       | _____ to _____                         |
| 3. _____                                    | _____                                       | _____ to _____                         |
| 4. _____                                    | _____                                       | _____ to _____                         |
| 5. _____                                    | _____                                       | _____ to _____                         |

**(COMPANY LETTERHEAD)**

## **INVENTORY LISTING**

The following buses will be used to transport DOD passengers. I agree to maintain insurance as specified in the Military Bus Agreement.

| <u>Equipment Type</u> | <u>Make/Model Year</u> | <u>Vehicle Identification Number</u> |
|-----------------------|------------------------|--------------------------------------|
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |
| _____                 | _____                  | _____                                |

**TOTAL NUMBER OF VEHICLES:** \_\_\_\_\_

**ATTACHMENT**

## **CERTIFICATION REGARDING A DRUG/ALCOHOL-FREE WORKPLACE**

\_\_\_\_\_ hereby certifies and agrees that with respect to all employees of \_\_\_\_\_ who are employed under contracts with the Military Traffic Management Command (MTMC) will:

- (1) Publish a statement notifying such employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibitions;
- (2) Establish a drug/alcohol-free awareness program to inform such employees about:
  - (a) the dangers of drug abuse and alcoholism in the workplace;
  - (b) the contractor's policy of maintaining a drug/alcohol-free workplace;
  - (c) any available drug and alcohol counseling, rehabilitation, and employee assistance programs, and
  - (d) the penalties that may be imposed upon employees for drug abuse and alcohol violations occurring in the workplace.
- (3) Provide all employees engaged in performance of the contract with a copy of the statement described in paragraph (1) above
- (4) Notify such employees in such statement that as a condition of continued employment on MTMC contracts that the employees will:
  - (a) abide by the terms of the statement; and
  - (b) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
  - (c) notify the employer of any criminal drunk driving citations or convictions no later than five (5) days after such actions.
- (5) Notify the Military Traffic Management Command within ten days after receiving notice under paragraph (4) (b) above from an employee or otherwise receiving actual notice of such conviction; and

(6) Within 30 days after receiving notice under paragraph (4) above of a conviction, impose the following sanctions or remedial violations occurring in the workplace:

- (i) take appropriate personnel action against such employee, up to and including termination;  
or
- (ii) require such employee to satisfactorily participate in a drug/ alcohol abuse assistance or rehabilitation programs approved for such purposes by Federal, State or local health, law enforcement, or other appropriate agency.

(7) Make a good faith effort to maintain a drug/alcohol-free workplace through implementation of paragraphs (1) through (6) above.

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(Signature and Typed name of carrier official)

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*Title*

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*Date*

# STATEMENT OF COMMON FINANCIAL OR ADMINISTRATIVE CONTROL

## 1. PARENT COMPANY IDENTIFYING DATA (FAR 52.214-8)

- a. A “parent” company, for the purpose of this certificate, is the one that owns or controls the activities and basic business policies of the carrier. To own the carrier means that the parent company must own more than 50 percent of the voting rights of the carrier. A company may control the carrier as a parent even though not meeting the requirement for such ownership if the parent company is able to formulate, determine, or veto basic policy decisions of the carrier through the use of dominant majority voting rights, use of proxy voting, or otherwise.

b. I, \_\_\_\_\_, representing \_\_\_\_\_ hereinafter referred to as the carrier, certify that the carrier **is/is not** (circle as appropriate) owned or controlled by a parent company engaged directly or indirectly in providing ground passenger transportation for the Department of Defense or its entities.

- c. If the carrier is owned or controlled by a parent company, the following information is provided:

### ***Name of Parent Company:***

Main Office (complete address): \_\_\_\_\_

## 2. AFFILIATED BIDDERS (FAR 52.214.17)

- a. Business concerns are affiliates of each other when, either directly or indirectly, (1) one concern controls or has the power to control the other, or (2) a third party has the power to control both.
- b. I, \_\_\_\_\_, representing \_\_\_\_\_ certify that carrier is/is not (circle as appropriate) affiliated with any other business, firm, or corporation engaged, either directly or indirectly in providing ground passenger transportation for the Department of Defense or its entities.
- c. If the carrier indicates that such relationships exist, names and addresses of all affiliates must be indicated below:

Name of Affiliate: \_\_\_\_\_

Main Office (complete address): \_\_\_\_\_

Affiliate is a MTMC/DOD approved carrier: YES\_\_\_\_\_, NO\_\_\_\_\_

Name of Affiliate: \_\_\_\_\_  
Main Office (complete address): \_\_\_\_\_  
\_\_\_\_\_

Affiliate is a MTMC/DOD approved carrier: YES\_\_\_\_\_, NO\_\_\_\_\_

Name of Affiliate: \_\_\_\_\_  
Main Office (complete address): \_\_\_\_\_  
\_\_\_\_\_

Affiliate is a MTMC/DOD approved carrier: YES\_\_\_\_\_, NO\_\_\_\_\_

Name of Affiliate: \_\_\_\_\_  
Main Office (complete address): \_\_\_\_\_  
\_\_\_\_\_

Affiliate is a MTMC/DOD approved carrier: YES\_\_\_\_\_, NO\_\_\_\_\_

(If additional space is needed, affiliate listing may be continued on plain bond and attached to this certificate.)

3. **ADMINISTRATIVE ACTION/NON-USE CARRIERS:** Carriers declaring common financial or administrative control may be prohibited from bidding and providing passenger service through affiliated companies, depending on the administrative action taken by HQMTMC.

**Note: Failure to report carrier affiliations are grounds for immediate non-use action until carrier has filed this information with HQ MTMC.**

\_\_\_\_\_  
***Typed Name and Title of Carrier Official***

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



**(FAR 52.222-0041) SERVICE CONTRACT ACT OF 1965,**

*AS AMENDED (MAY 1989)*

(a) Definitions.

**“Act,”** as used in this clause, means the Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

**“Contractor,”** as used in this clause or in any subcontract, shall be deemed to refer to the subcontractor, except in the term “Government Prime Contractor.”

**“Service Employee,”** as used in this clause, means any person engaged in the performance of this contract other than any person employed in a bona fide executive, administrative, or professional capacity, as these terms are defined in Part 541 of Title 29, Code of Federal Regulations, as revised. It includes all such persons regardless of any contractual relationship that may be alleged to exist between a Contractor or subcontractor and such persons.

**(b) Applicability.** This contract is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor (29 CFR Part 4). This clause does not apply to contracts or subcontracts administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C of 29 CFR Part 4.

(c) Compensation.

(1) Each service employee employed in the performance of this contract by the Contractor or any subcontractor shall be paid not less than the minimum monetary wages and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor, or authorized representative, as specified in any wage determination attached to the contract.

(2) (i) If a wage determination is attached to this contract, the Contractor shall classify any class of service employee which is not listed therein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination) so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such conformed class of employees shall be paid the monetary wages and furnished the fringe benefits as are determined pursuant to the procedures in this paragraph ©.

(ii) This conforming procedure shall be initiated by the Contractor prior to the performance of contract work by the unlisted class of employee. The Contractor shall submit Standard Form (SF) 1444, Request For Authorization of Additional Classification and Rate, to the Contracting Officer no later than 30 days after the unlisted class of employee performs any contract work. The Contracting Officer shall review the proposed classification and rate and promptly submit the completed SF 1444 (which must include information regarding the agreement or disagreement of the employees' authorized representatives or the employees themselves together with the agency recommendation), and all pertinent information to Wage and Hour Division, Employment Standards Administrations, U.S. Department of Labor. The Wage and Hour Division will approve, modify or disapprove the action or render a final determination in the event of disagreement within 30 days of receipt or will notify the Contracting Officer within 30 days of receipt that additional time is necessary.

(iii) The final determination of the conformance action by the Wage and Hour Division shall be transmitted to the Contracting Officer who shall promptly notify the Contractor of the action taken. Each affected employee shall be furnished by the Contractor with a written copy of such determination or it shall be posted as a part of the wage determination.

(iv)(A) The process of establishing wage and fringe benefit rates that bear a reasonable relationship to those listed in a wage determination cannot be reduced to any single formula. The approach listed may vary from wage determination to wage determination depending on the circumstances. Standard wage and salary administration practices which rank various job classifications by pay grade pursuant to point schemes or other job factors may, for example, be relied upon. Guidance may also be obtained from the way different jobs are rated under Federal pay systems (Federal Wage Board Pay System and the General Schedule) or from other wage determinations issued in the same locality. Basic to the establishment of any conformable wage rate(s) is the concept that a pay relationship should be maintained between job classifications based on the skill required and the duties performed.

(B) In the case of a contract modification, an exercise of an option, or extension of an existing contract, or in any other case where a Contractor succeeds a contract under which the classification in question was previously conformed pursuant to paragraph (c) of this clause, a new conformed wage rate and fringe benefits may be assigned to the conformed classification by indexing (i.e., adjusting) the previous conformed rate and fringe benefits by an amount equal to the average (mean) percentage increase (or decrease, where appropriate) between the wages and fringe benefits specified for all classifications to be used on the contract which are listed in the current wage determination, and those specified for the corresponding classifications in the previously applicable wage determination. Where conforming actions are accomplished in accordance with this paragraph prior to the performance of contract work by the unlisted class of employees, the Contractor shall advise the Contracting Officer of the action taken but the other procedures in subdivision (c)(2)(ii) of this clause need not be followed.

© No employee engaged in performing work on this contract shall in any event be paid less than the currently applicable minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(v) The wage rate and fringe benefits finally determined under this subparagraph ©(2) of this clause shall be paid to all employees performing the classification from the first day on which contract work is performed by them in the classification. Failure to pay the unlisted employees the compensation agreed upon by the interested parties and/or finally determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract.

(vi) Upon discovery of failure to comply with subparagraph ©(2) of this clause, the Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be retroactive to the date such class or classes of employees commenced contract work.

(3) Adjustment of Compensation. If the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees under this contract shall be subject to adjustment after 1 year and not less often than once every 2 years, under wage determinations issued by the Wage and Hour Division.

**(d) Obligation to Furnish Fringe Benefits.** The Contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined under subparagraph ©(2) of this clause by furnishing equivalent or differential cash payments, only in accordance with Subpart D of 29 CFR Part 4.

**(e) Minimum Wage.** In the absence of a minimum wage attachment for this contract, neither the Contractor nor any subcontractor under this contract shall pay any person performing work under this contract (regardless of whether the person is a service employee) less than the minimum wage specified by section 6(a)(1) of the Fair Labor Standards Act of 1938. Nothing in this clause shall relieve the Contractor or any subcontractor for payment of a higher wage to any employee.

**(f) Successor Contracts.** If this contract succeeds a contract subject to the Act under which substantially the same services were furnished in the same locality and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, in the absence of the minimum wage attachment for this contract setting forth such collectively bargained wage rates and fringe benefits, neither the Contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work (regardless of whether or not such employee was employed under the predecessor contract), less than the wages and fringe benefits provided for in such collective bargaining agreement, to which such employee would have been entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement.

No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the Secretary of Labor or the Secretary's authorized representative finds, after a hearing as provided in 29 CFR 4.10 that the wages and/or fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a character similar in the locality, or determines, as provided in 29 CFR 4.11, that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations. Where it is found in accordance with the review procedures provided in 29 CFR 4.10 and/or 4.11 and Parts 6 and 8 that some or all of the wages and/or fringe benefits contained in a predecessor Contractor's collective bargaining agreement are substantially at variance with those which prevail for services of a character similar in the locality, and/or that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations, the Department will issue a new or revised wage determination setting forth the applicable wage rates and fringe benefits. Such determination shall be made part of the contract or subcontract, in accordance with the decision of the Administrator, the Administrative Law Judge, or the Board of Service Contract Appeals, as the case may be, irrespective of whether such issuance occurs prior to or after the award of a contract or subcontract (53 Comp. Gen. 401 (1973)). In the case of a wage determination issued solely as a result of a finding of substantial variance, such determination shall be effective as of the date of the final administrative decision.

**(g) Notification to Employees.** The Contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum "monetary wage and any fringe benefits required to be paid pursuant to this contract, or shall post the wage determination attached to this contract. The poster provided by the Department of Labor (Publication WH 1313) shall be posted in a prominent and accessible place at the worksite. Failure to comply with this requirement is a violation of section 2(a)(4) of the Act and of this contract.

**(h) Safe and Sanitary Working Conditions.** The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary, hazardous or dangerous to the health or safety of the service employees. The Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

**(i) Records.**

(1) The Contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work, and make them available for inspection and transcription by authorized representatives of the Wage and Hour Division, Employment Standards Administration, a record of the following:

(i) For each employee subject to the Act:

(A) Name and address and social security number;

(B) Correct work classification or classifications, rate or rates of monetary wages paid and fringe benefits provided, rate or rates of payments in lieu of fringe benefits, and total daily and weekly compensation;

(C) Daily and weekly hours worked by each employee; and

(D) Any deductions, rebates, or refunds from the total daily or weekly compensation of each employee.

(ii) For those classes of service employees not included in any wage determination attached to this contract, wage rates or fringe benefits determined by the interested parties or by the Administrator or authorized representative under the terms of paragraph © of this clause. A copy of the report required by subdivision ©(2)(ii) of this clause will fulfill this requirement.

(iii) Any list of the predecessor Contractor's employees which had been furnished to the Contractor as prescribed by paragraph (n) of this clause.

(2) The Contractor shall permit authorized representatives of the Wage and Hour Division to conduct interviews with employees at the worksite during normal working hours.

**(j) Pay Periods.** The Contractor shall unconditionally pay to each employee subject to the Act all wages due free and clear and without subsequent deduction (except as otherwise provided by law or Regulations, 29 CFR Part 4), rebate, or kickback on any account. These payments shall be made no later than one pay period following the end of the regular pay period in which the wages were earned or accrued. A pay period under this Act may not be of any duration longer than semi-monthly.

**(k) Withholding of Payments and Termination of Contract.** The Contracting Officer shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the Prime Contractor such sums as an appropriate official of the Department of Labor requests or such sums as the Contracting Officer decides may be necessary to pay underpaid employees employed by the Contractor or subcontractor. In the event of failure to pay any employees subject to the Act all or part of the wages or fringe benefits due under the Act, the Contracting Officer may, after authorization or by direction of the Department of Labor and written notification to the Contractor, take action to cause suspension of any further payment or advance of funds until such violations have ceased. Additionally, any failure to comply with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.

(1) Subcontracts. The Contractor agrees to insert this clause in all subcontracts subject to the Act.

(m) **Collective Bargaining Agreements Applicable to Service Employees.** If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Government Prime Contractor shall report such fact to the Contracting Officer, together with full information as to the application and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance, such agreements shall be reported promptly after negotiation thereof.

(n) **Seniority List.** Not less than 10 days prior to completion of any contract being performed at a Federal facility where service employees may be retained in the performance of the succeeding contract and subject to a wage determination which contains vacation or other benefit provisions based upon length of service with a Contractor (predecessor) or successor (29 CFR 4.173), the incumbent Prime Contractor shall furnish the Contracting Officer a certified list of the names of all service employees on the Contractor's or subcontractor's payroll during the last month of contract performance. Such list shall also contain anniversary dates of employment of the contract either with the current or predecessor Contractors of each such service employee. The Contracting Officer shall turn over such list to the successor Contractor at the commencement of the succeeding contract.

(o) **Rulings and Interpretations.** Rulings and interpretations of the Act are contained in Regulations, 29 CFR Part 4.

(p) Contractor's Certification.

- (1) By entering into this contract, the Contractor (and officials thereof) certifies that neither it (nor he or she) nor any person or firm who has a substantial interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed under section 5 of the Act.
- (2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract under section 5 of the Act.
- (3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

**(q) Variations, Tolerances, and Exemptions Involving Employment.** Notwithstanding, any of the provisions in paragraphs (b) through (o) of this clause, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to section 4(b) of the Act prior to its amendment by Pub. L. 92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business.

- (1) Apprentices, student learners, and workers whose earning capacity is impaired by age, physical or mental deficiency, or injury, may be employed at wages lower than the minimum wages otherwise required by section 2(a)(1) or 2(b)(1) of the Act without diminishing any fringe benefits or cash payments in lieu thereof required under section 2(a)(2) of the Act, in accordance with the conditions and procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under section 14 of the Fair Labor Standards Act of 1938, in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).
- (2) The Administrator will issue certificates under the Act for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, and 525).
- (3) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in 29 CFR Parts 525 and 528.

**(r) Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed and individually registered in a bona fide apprenticeship program registered with a State Apprenticeship Agency which is recognized by the U.S. Department of Labor, or if no such recognized agency exists in a State, under a program registered with the Bureau of Apprenticeship and Training, Employment and Training Administration, U.S. Department of Labor. Any employee who is not registered as an apprentice in approved program shall be paid the wage rate and fringe benefits contained in the applicable wage determination for the journeyman classification of work actually performed. The wage rates paid apprentices shall not be less than the wage rate for their level of progress set forth in the registered program, expressed as the appropriate percentage of the journeyman's rate contained in the applicable wage determination. The ratio of apprentices allowed shall not be greater than the ratio permitted to the Contractor as to his entire work force under the registered program.

(s) **Tips.** An employee engaged in an occupation in which the employee customarily and regularly receives more than \$30 a month in tips may have the amount of these tips credited by employer against the minimum wage required by section 2(a)(1) or section 2(b)(1) of the Act, in accordance with section 3(m) of the Fair Labor Standards Act and Regulations 29 CFR Part 531. However, the amount of credit shall not exceed \$1.34 per hour beginning January 1, 1981. To use this:

- (1) The employer must inform tipped employees about this tip credit allowance before the credit is utilized;
- (2) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received);
- (3) The employer must be able to show by records that the employee receives at least the applicable Service Contract Act minimum wage through the combination of direct wages and tip credit; and
- (4) The use of such tip credit must have been permitted under any predecessor collective bargaining agreement applicable by virtue of section 4© of the Act.

(t) **Disputes Concerning Labor Standards.** The U.S. Department of Labor has set forth in 29 CFR Parts 4, 6, and 8 procedures for resolving disputes concerning labor standards requirements. Such disputes shall be resolved in accordance with those procedures and not the Disputes clause of this contract. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.